

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 271 (MC2017-46)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2017-72

**USPS NOTICE OF CHANGE IN PRICES PURSUANT TO
AMENDMENT TO PRIORITY MAIL CONTRACT 271**
(April 16, 2018)

The Postal Service hereby provides notice that prices under Priority Mail Contract 271, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 271 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days after the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Elizabeth A. Reed

475 L'Enfant Plaza, SW
Washington, D.C. 20260-1137
(202) 268-3179
Elizabeth.A.Reed@usps.gov
April 16, 2018

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 271

AMENDMENT #2
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
REGARDING
PRIORITY MAIL SERVICE

WHEREAS, the United States Postal Service (the “Postal Service”) and [REDACTED] (“Customer”) entered into a Shipping Services Contract, Priority Mail Contract 271/Docket No. CP2017-72 regarding Priority Mail Service on December 2, 2016.

WHEREAS, the Parties desire to amend the terms in Sections I.C. and I.F.3, replace Table B, and to delete Tables C through F of the Contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.C, I.F.2, and I.F.3, and insert new Table B, along with Tables 1 through 7, as follows. Tables C through F shall be deleted.]

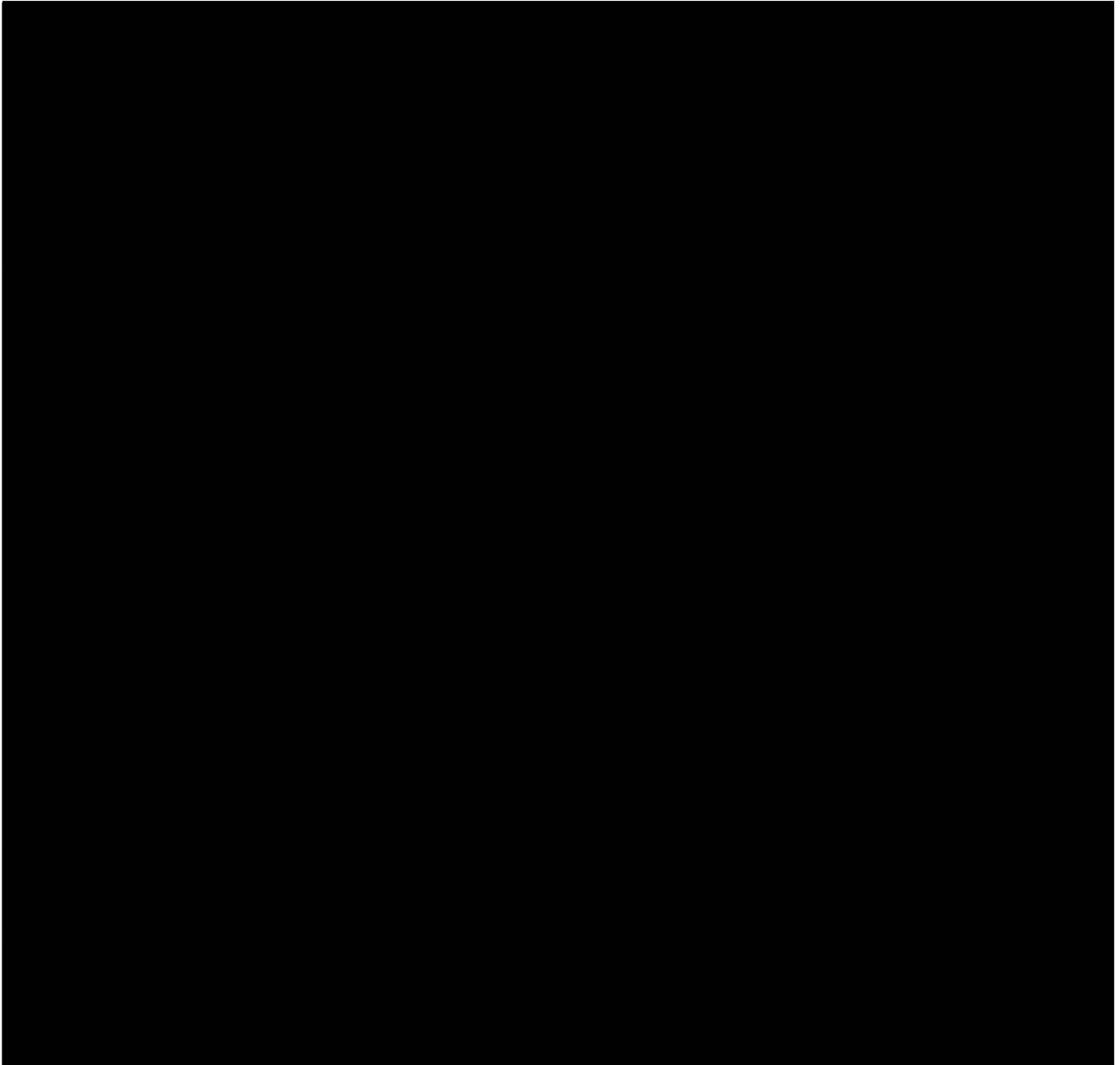
I. Terms

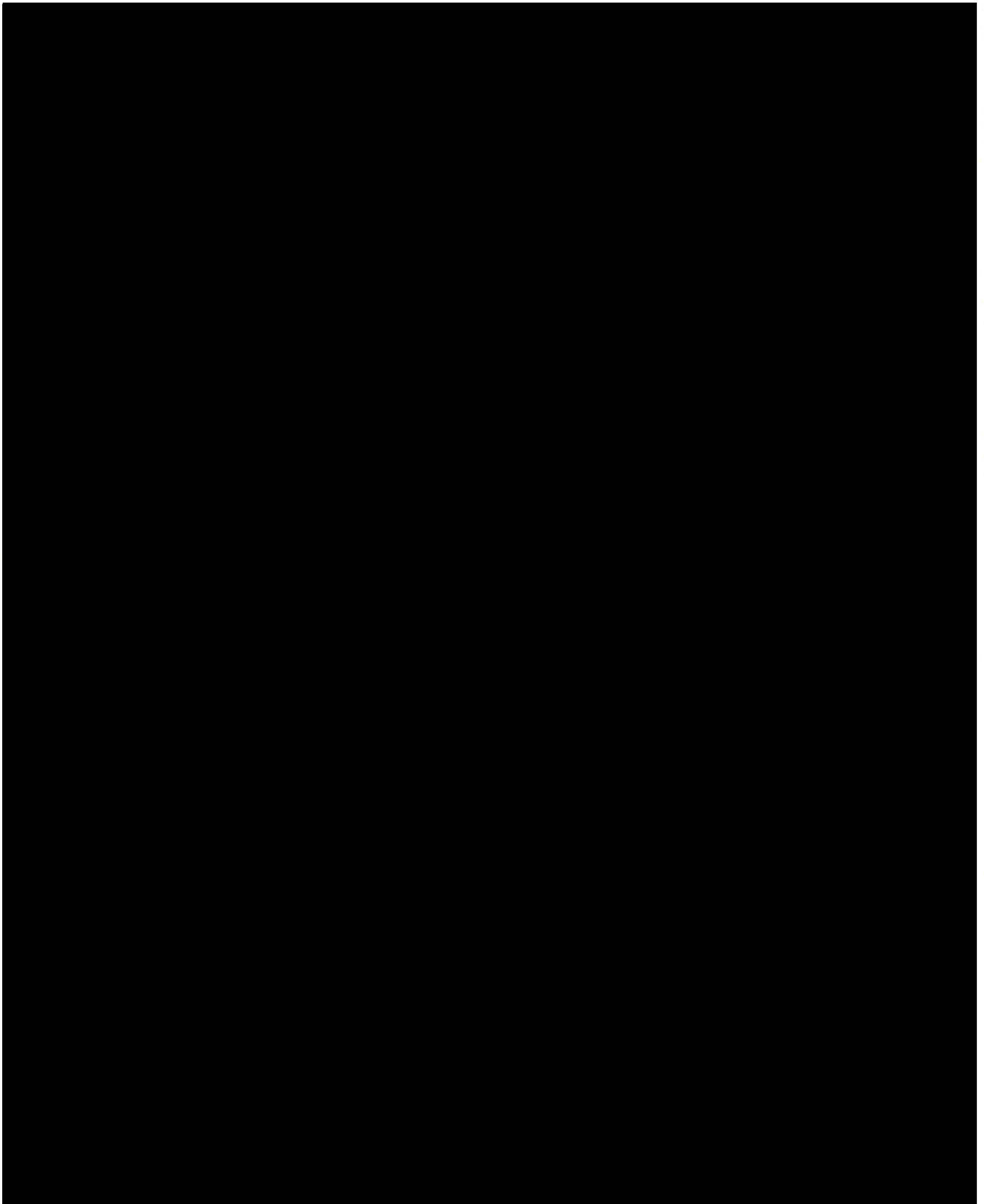
C. Customer will manifest Contract Packages as specified by the Postal Service, using a separate permit number and/or PC Postage account to ship such packages, and will use the Electronic Verification System (“eVS”), other USPS approved manifest systems, or USPS approved PC Postage vendors for payment of such packages. Customer shall provide the Postal Service, in writing, a list of its permit numbers and/or PC Postage accounts for approval. Contract pricing for any newly approved permits and/or PC Postage accounts will be effective within fifteen (15) business days after the Postal Service receives written notification from Customer. Only Contract Packages, and Customer’s other Priority Mail packages (“Total Packages”), shipped from authorized permits and/or PC Postage accounts shall count toward the volume commitment in Table B below.

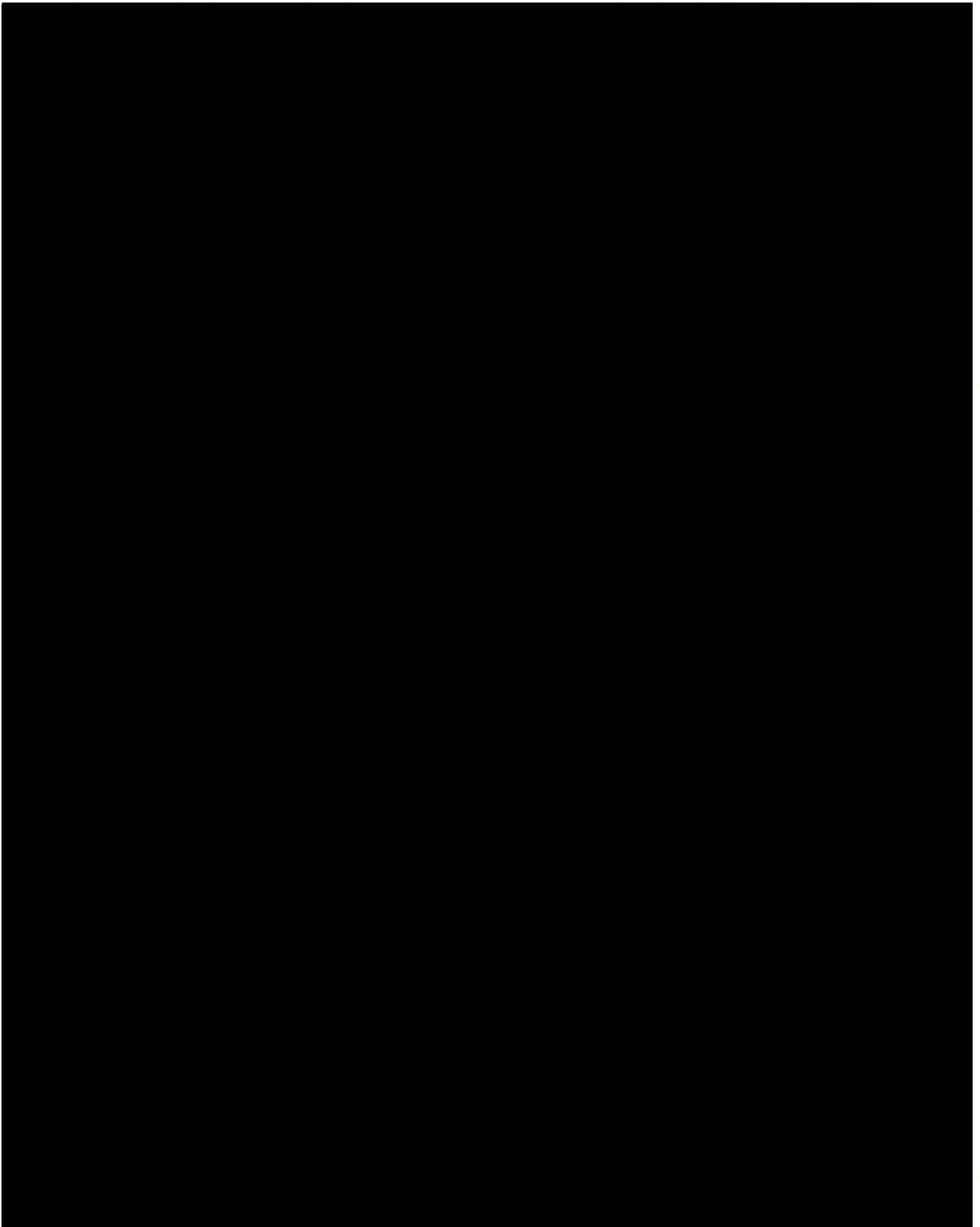
F.

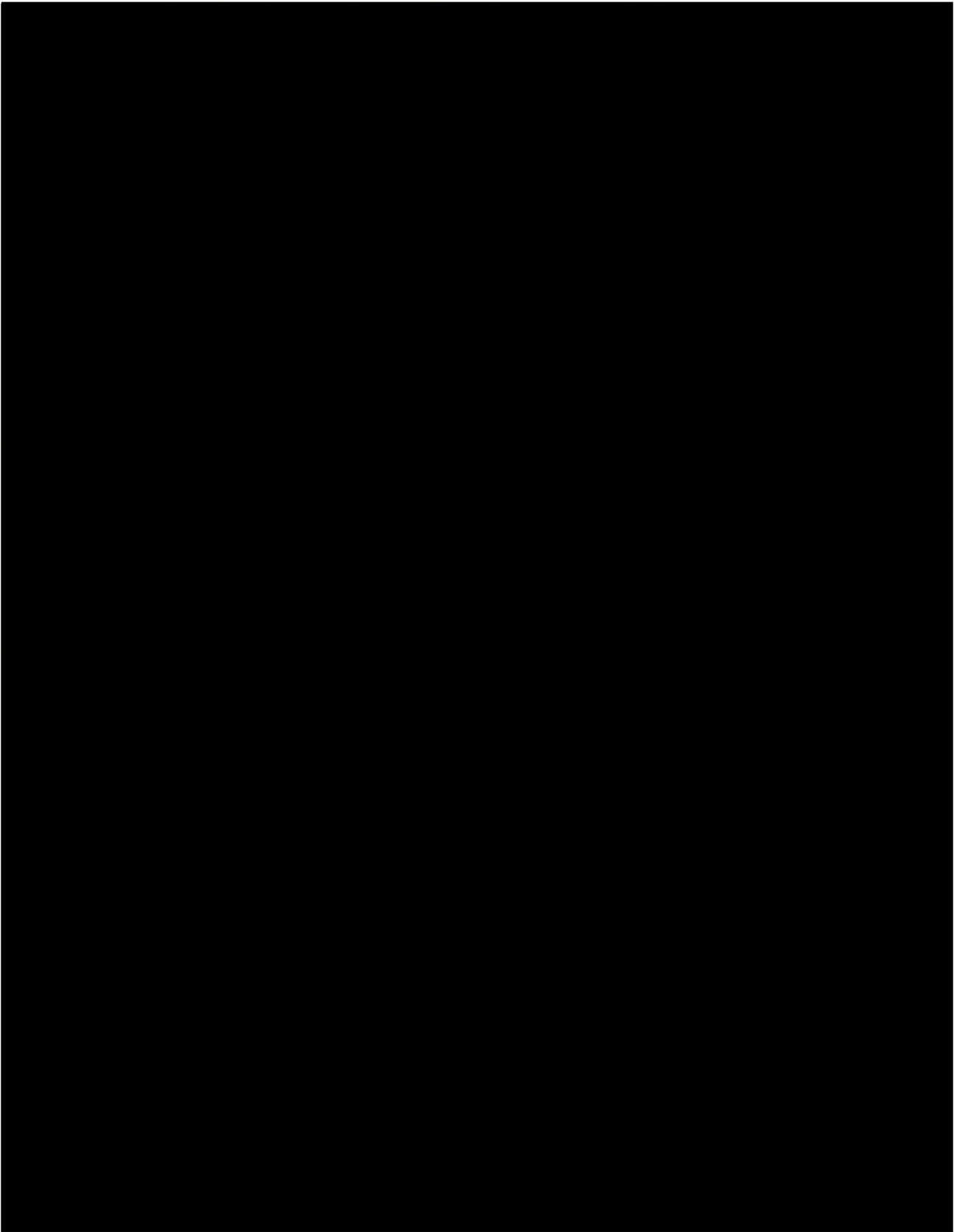
2. From the effective date of this Amendment until June 30, 2018, Customer will pay Tier 3 prices, shown in Table 3 below, for its Contract Packages.
3. The Postal Service will monitor Customer’s volume of Total Packages shipped per Contract Quarter, and within fifteen (15) calendar days after the start of

each Contract Quarter (beginning July 1, 2018), will notify Customer of the applicable Tier for that Contract Quarter based on Table B, with corresponding Contract Package prices found in Tables 1 through 7 below. Tier price changes will be effective within fifteen (15) calendar days after the start of each Contract Quarter. Discounted prices will be calculated by the Postal Service and rounded up to the nearest whole cent.









IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by: _____

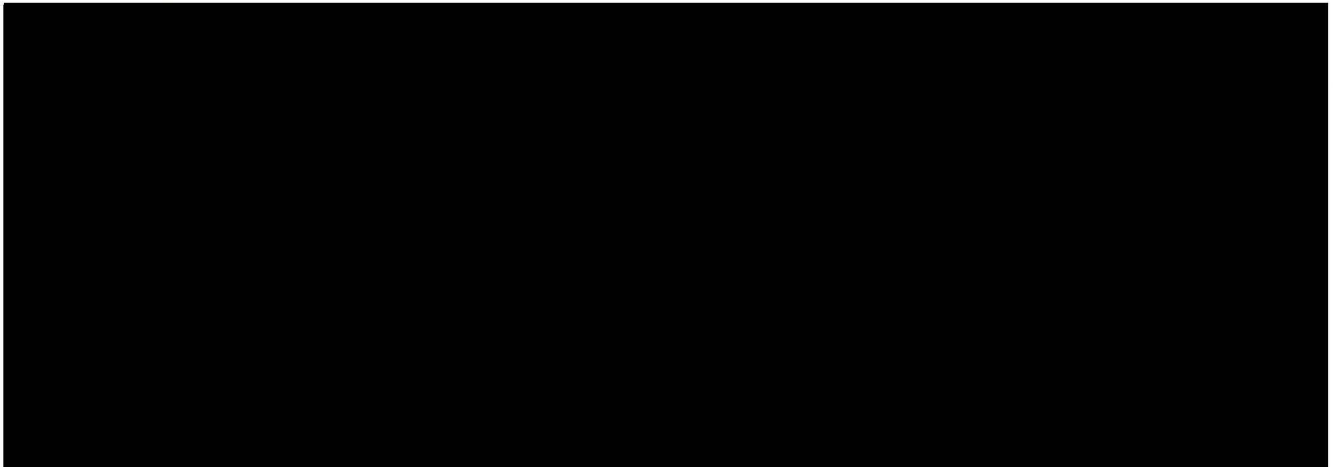
Dennis R. Nicoski

Printed Name: Dennis Nicoski

Title: Senior Vice President, Sales and Customer Relations

Date: _____

4/9/18



ATTACHMENT B
SIGNED CERTIFICATION

Certification of Prices for Amendment to Priority Mail Contract 271

I, John P. Kelley, Manager, Cost Attribution, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Contract 271. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**John P.
Kelley**

Digitally signed by John P. Kelley
DN: cn=John P. Kelley, o=United
States Postal Service, ou=Cost
Attribution,
email=john.p.kelley@usps.gov, c=US
Date: 2018.04.13 17:37:07 -04'00'

John P. Kelley